

NATIONAL CANNERS ASSOCIATION INFORMATION LETTER

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HEARING CALLED ON TENTATIVE STANDARDS

Will be Held at the Department of Agriculture in Washington, Monday,
December 15

A public hearing on tentative standards for canned peas, pears and peaches, drawn up by the Food and Drug Administration of the U. S. Department of Agriculture under the provisions of the Canners' Bill approved last July, will be held on Monday, December 15 at 10 a. m., according to an announcement issued by the Chief of the Food and Drug Administration on December 2.

The hearing is held for the purpose of giving all interested parties, whether they be canners, distributors or consumers, an opportunity to discuss and comment upon these standards and make such suggestions for their amendment or modification as may seem proper. Consideration will be given at the same time to proposed designations for use on substandard products.

Following is the Food and Drug Administration's announcement along with the introductory statement and tentative standards accompanying it:

TO WHOM IT MAY CONCERN:

The amendment to the Federal Food and Drugs Act, commonly known as the Canners' Bill, was approved July 8, 1930. Briefly, it authorizes the Secretary of Agriculture to determine, establish, and promulgate from time to time a reasonable standard or quality, condition, and/or fill of container, for each class of canned food except meat and meat food products, which are subject to the provisions of the Meat Inspection Act, and except canned milk. It also authorizes the Secretary to prescribe a form of statement which must appear in a plain and conspicuous manner on each package or label of canned food which falls below the standard promulgated by him and which will indicate that such canned food falls below such standard.

The enforcement of the Food and Drugs Act, as well as of the new amendment, has been assigned to the Food and Drug Administration. Certain tentative standards for a number of canned food products have been drawn up by the Administration as a result of extensive information obtained from canners, wholesale and retail distributors, and consumers. Copies of these tentative standards are attached.

By authority of the Secretary of Agriculture, the Food and Drug Administration announces that it will hold a public hearing on Monday,

December 15, at 10 a. m., for the purpose of giving all interested parties, whether they be canners, distributors or consumers, an opportunity to discuss and comment upon these standards and make such suggestions for their amendment or modification as may seem proper. The hearings will be held in the conference room of the new Department of Agriculture building, second floor, central section, and will be continued as long as may be necessary to give time for a full discussion of the standards. Those who are unable to attend in person are invited to submit written comments on the standards, addressed to the Food and Drug Administration, Washington, D. C. They should be submitted not later than the date set for the hearing.

Consideration will be given at the same time to proposed designations for use on substandard products. From a list of those which have been suggested the Department has selected the one attached as of sufficiently informative character to warrant discussion.

Following these hearings final consideration will be given by the Department to the formulation of the standards in completed form and they will then be promulgated under the authority of the Secretary. According to the amendment, a period of ninety days will then elapse before the standards become effective.

INTRODUCTORY STATEMENT

SUGGESTED LEGEND

In the amendment to the Federal Food and Drugs Act approved July 8, 1930, it is provided: "Nothing in this paragraph shall be construed to authorize the manufacture, sale, shipment or transportation of adulterated or misbranded food."

If the article falls below the standard in any respect not involving a violation of the terms of the Act before the enactment of this amendment, it shall bear in immediate conjunction with the name of the article wherever such name appears a prominent statement showing how it deviates from the standard article, followed by the legend given below in the size and type specified for the various sizes of containers.

BELOW U. S. STANDARD
LEGAL—WHOLE SOME

Border and type to be on a strongly contrasting uniform background. Type of general statement to be of size and kind specified below. Border to be of a width at least equal to the height of the type.

<u>Under 1 lb. Net Weight</u>	<u>1 to 5 lbs. Net Weight</u>	<u>Over 5 lbs. Net Weight</u>
12-point Cheltenham bold, condensed	14-point Cheltenham bold, condensed	24-point Cheltenham bold, condensed

TENTATIVE STANDARD FOR CANNED PEAS

1. The "canned food" known as peas consists of the tender, immature, fresh, unbroken seed of the common or garden variety pea (*Pisum Sativum*).

vum), with or without seasoning (sugar, salt), and with added potable water in such proportion that when the contents of the can are poured into another container and returned to the can, standing on a level surface, and the peas leveled with a spoon without downward pressure, the liquor does not more than cover the peas. In no case, however, shall the proportion of liquor, as determined by draining two minutes on a U. S. Standard No. 8 sieve,[†] be less than 20 per cent by weight of the contents of the can. The product is free from abnormal flavors, colors and extraneous material, except that it may contain broken pieces of pea seed, loose skins, discolored peas, hard or firm peas, within the following limits.

Loose skins and broken peas combined—not more than 15 per ounce of drained peas.

Discolored peas, such as brown or brown spotted peas—not more than 3 per ounce of drained peas.

Hard peas—not more than 5 per cent by count.

Firm peas—not more than 40 per cent by count.

2. The seed shall be considered as unbroken if the two cotyledons are still held together by the skin, even though the cotyledons may be cracked or partially crushed or the skin split.

3. To determine tenderness, the following method is used: Remove the skin of the pea and place one cotyledon on its flat surface on a horizontal, smooth plate. By means of a second horizontal, smooth plate, apply vertically an initial load of 100 grams and increase the load at a uniform, continuous rate of 12 grams per second until the cotyledon is compressed to one-fourth its original thickness. Any pea requiring 500 or more grams is considered firm, and any pea requiring 1,000 or more grams is also considered hard.

4. The product occupies not less than 90 per cent of the total capacity of the closed container.

TENTATIVE STANDARD FOR CANNED PEACHES

1. The class of "canned food" known collectively as canned peaches consists of the normal sized, tender, peeled, mature, fresh and, except when packed whole, pitted fruit* of the peach tree, with sugar solution in such proportion that when drained two minutes on a U. S. Standard No. 8 sieve[†] not less than 65 per cent nor more than 80 per cent of the total net weight is retained on the sieve. The solution which drains through the sieve reads not less than 14 degrees nor more than 40 degrees Brix (read at the proper temperature for the instrument used). The product is free from abnormal flavors, colors, and excessively trimmed pieces. Trimming shall be considered excessive when more than one-third of the unit has been removed so as to destroy its normal contour. Nor over 25 per cent of the units contain blemishes, and no unit contains blemishes in excess of 5 per cent of its total exposed area. No unit is less than one-tenth ounce in weight and the units are sufficiently uniform in size so that the maximum dimension of the largest is not more than 1¼ times that of the smallest. All units are unbroken and have the same general contour.

[†] The diameter of the wire is .0331 inch and the openings are .0987 inch in a Standard No. 8 sieve. For containers up to 3 pounds net weight an 8-inch diameter, and for larger sized containers a 12-inch diameter, sieve is used.

* The fruit is usually packed in one of the following styles: Halves—commonly known as "peaches." Sliced—commonly known as "sliced peaches." Whole—commonly known as "whole peaches."

2. A peach is considered of normal size when a pitted half weighs one ounce or more after drainage on the above sieve.

3. The units are sufficiently firm so that after draining on the sieve they remain separate and retain their approximate shape, but are sufficiently tender so that not less than 90 per cent by count will be completely perforated by an untapered needle, 5/32 inch in diameter, under a load of 300 grams, applied vertically to the exposed peeled surface of a test piece carefully fitted into an appropriate holder. In performing this test, the needle is placed on the exposed surface under an initial load of 100 grams and the load increased at a uniform, continuous rate of 12 grams per second until the piece is perforated. A convenient method of obtaining the test piece is as follows: Using a cylinder of approximately 1½ inch diameter, made of sheet metal approximately 1/32 inch thick, cut a core from the fruit completely through from the inner surface to the peeled surface, so that the peeled surface is exposed when the cylinder retaining this core is firmly supported on a horizontal, smooth plate. In determining tenderness in the case of sliced peaches, when the units are not sufficiently large to admit the obtaining of a test piece in the manner above suggested, a V-shaped metal trough, 1 inch long, ¼ inch wide, and ¼ inch deep, with vertical ends, is a convenient holder.

4. The product occupies not less than 90 per cent of the total capacity of the closed container.

TENTATIVE STANDARD FOR CANNED PEARS

1. The class of "canned food" known collectively as pears consists of the normal sized, tender, peeled and stemmed, mature, fresh fruit* of the pear tree, with blossom end and, except when pears are packed whole, seed cells removed, and with or without the fibrous material connecting the stem with the seed cells; together with sugar solution in such proportion that when drained for two minutes on a U. S. Standard No. 8 sieve** not less than 65 per cent nor more than 80 per cent of the total net weight shall be retained on the screen. The solution which drains through the screen shall read not less than 14 degrees nor more than 40 degrees Brix (read at the proper temperature for the instrument used). The product is free from abnormal flavors, color, and excessively trimmed pieces. Trimming shall be considered excessive when more than one-third of the unit has been removed so as to destroy its normal contour. Not over 25 per cent of the units contain blemishes, and no unit contains blemishes in excess of 5 per cent of its total exposed area. No unit is less than three-quarters of an ounce in weight and the units are sufficiently uniform in size so that the combined length and maximum width of the largest is not more than 1¼ times the combined length and width of the smallest. All units are unbroken and have the same general contour.

2. The units are sufficiently firm so that after draining on the screen they remain separate and retain their approximate shape, but are free from gritty portions and sufficiently tender so that not less than 90 per cent by count are completely perforated by an untapered needle, 5/32 inch in diameter, under a load of 300 grams, applied vertically to the exposed peeled surface of a test piece carefully fitted into an appropriate holder.

* The fruit is usually packed in one of the following styles: Halves—commonly known as "pears." Whole—commonly known as "whole pears."

** The diameter of the wire is .0331 inch and the openings are .0937 inch in a Standard No. 8 sieve. For containers up to 5 pounds net weight an 8-inch diameter, and for larger sized containers a 12-inch diameter, sieve is used.

In performing this test, the needle is placed on the exposed surface under an initial load of 100 grams and the load increased at a uniform, continuous rate of 12 grams per second until the piece is perforated. A convenient method of obtaining the test piece is as follows: Using a cylinder of approximately $1\frac{1}{4}$ inch diameter, made of sheet metal approximately $1/32$ inch thick, cut a core from the fruit completely through from the inner surface to the peeled surface, so that the peeled surface is exposed when the cylinder retaining this core is firmly supported on a horizontal smooth plate.

3. The product occupies not less than 90 per cent of the total capacity of the closed container.

OPINION OF COUNSEL ON PERISHABLE COMMODITIES ACT

Interprets Statute as Making Most Canneries Subject to its Provisions and Requiring Them to Obtain Licenses

The language of the statute and Supreme Court decision in analogous cases indicate there is no reasonable ground for contesting the Agricultural Department's interpretation of the Perishable Agricultural Commodities Act. This is the opinion of the Association's legal counsel as given in the following letter received from Mr. Spencer Gordon:

You have asked our opinion as to whether a canner who purchases raw products produced in the same State where his canneries are located, but whose canned product goes largely into interstate commerce, is a "dealer" within the meaning of the Perishable Agricultural Commodities Act, 1930, and as such may be required to obtain a license.

The term "dealer" is defined in Section 1 (6) as follows:

"The term 'dealer' means any person engaged in the business of buying or selling in carloads any perishable agricultural commodity in interstate or foreign commerce, except that (A) no producer shall be considered as a 'dealer' in respect of sales of any such commodity of his own raising; and (B) no person buying any such commodity solely for sale at retail shall be considered as a 'dealer' in respect of any such commodity in any calendar year until his purchases of such commodity in carloads in such year are in excess of twenty. Any person not considered as a 'dealer' under clauses (A) and (B) may elect to secure a license under the provisions of section 3, and in such case and while the license is in effect such person shall be considered as a 'dealer.' As used in this paragraph, the term 'in carloads' includes corresponding wholesale or jobbing quantities as defined for any such commodity by the Secretary."

Were it not for the words of the statute, which I shall quote, and for the decisions in regard to similar statutes, a serious contention could be made that the purchase by a canner of raw materials produced in the State where his cannery is located is not interstate but intrastate commerce. However, the statute provides in Section 1 (8):

"A transaction in respect of any perishable agricultural commodity shall be considered in interstate or foreign commerce if such commodity is part of that current of commerce usual in the

trade in that commodity whereby such commodity and/or the products of such commodity are sent from one State with the expectation that they will end their transit, after purchase, in another, including, in addition to cases within the above general description, all cases where sale is either for shipment to another State, or for processing within the State and the shipment outside the State of the products resulting from such processing. Commodities normally in such current of commerce shall not be considered out of such commerce through resort being had to any means or device intended to remove transactions in respect thereto from the provisions of this Act."

The solicitor for the Department of Agriculture has construed this section to cover the case of the canner who purchases his raw products in the state where his cannery is located, if a substantial part of the canner's finished product is thereafter shipped out of the state in interstate commerce, and in view of the wording of the statute, taken with analogous statutes and decided cases, we are of opinion that this construction is correct.

It will be noted, under the statute, that the test of whether a transaction (the purchase of raw products) shall be considered in interstate commerce depends on whether the commodity (the raw products) is part of the current of commerce usual in the trade whereby such commodity, or its products, are sent from one state with the expectation that they will end their transit after purchase in another. The products of the fresh fruits and vegetables are the canned fruits and vegetables, and it is usual in the trade for such products to be sent into interstate commerce, so that the purchase of the fresh fruits and vegetables is the first step in this interstate commerce which begins with the raw product in one state and ends with the finished product in another.

It will also be noted that the statute includes "all cases where sale is for processing within the state and the shipment outside the state of the products resulting from such processing." While there has been some discussion as to the meaning of the word "processing," we believe that in this statute it would include the canning of perishable agricultural commodities, and while it might be contended that the words "for processing" strictly construed might require a prior agreement that the goods be processed and then sent out of the state, it seems more reasonable in this statute to believe that the words include cases where the usual conduct of trade is such that the canned goods will be shipped out of the state without requiring a prior agreement to that effect. Our conclusion is that there may be some doubt as to the meaning of the words "for processing," but even if this is so the earlier part of sub-section (8), which speaks of the products of the commodity being sent out of the state, and which has been discussed, is sufficient to include the case of the canner that we have assumed.

This sub-section (8) is an exact paraphrase of a section of the Packers and Stock Yards Act of 1921, the validity of which as a regulation of interstate commerce was sustained by the United States Supreme Court in *Stafford v. Wallace*, 258 U. S. 495. Precisely the same language, with only appropriate changes to make it apply to the commodity in question, is found in the Grain Futures Act of 1922 (42 Stat. 998) the validity of which was sustained in *Board of Trade of the City of Chicago v. Olsen*, 262 U. S. 1. See also *Lemke v. Farmers Grain Company*, 258 U. S. 50.

In view of the fact that these earlier statutes were sustained as regulations of interstate commerce, it would appear that there is no reasonable ground for contesting the present statute.

ADVANTAGES TO CANNERS UNDER LICENSING ACT

Advantages that canners may derive from the Perishable Agricultural Commodities Act, which has been interpreted by the Department of Agriculture to apply to most canners, are pointed out in a letter which the Association has received from Mr. C. W. Kitchen, Assistant Chief of the Bureau of Agricultural Economics, who is in charge of the administration of the new law. In this letter Mr. Kitchen states:

Reference is made to our recent conversation regarding the Perishable Agricultural Commodities Act and its applicability to canners. The Solicitor of this Department has interpreted the definition of interstate commerce as contained in the Act and the description of transactions which shall be considered as being in such commerce for the purpose of the Act as bringing most of the canners of fresh fruits and vegetables within the scope of the Act as we understand their general method of acquiring raw materials. When the Act was under consideration, it was not proposed or urged primarily as a means of regulating the canning industry, but since the operations of practically all canneries bring them under the Act, it is well to consider briefly the facts which seem to justify the situation and the possible advantages which canners may derive from it.

A study of Section 2 of the Act shows the specific kinds of unfair conduct which the Act is designed to prevent or suppress. Other sections of the Act give the Secretary of Agriculture broad powers in dealing with these violations. In so far as canners may suffer from any of these practices they now have a new, speedy, and less expensive remedy than ever before. The buyer who competes with a canner for raw products must now accept and pay for what he buys regardless of market declines. If the canner contracts with a dealer for any part of his supplies of fresh fruits and vegetables, he has reasonable assurance that delivery will be made in accordance with the contract and has a relatively swift and sure recourse if it is not so made.

On the other hand, the larger canners especially, are competitors with other licensed dealers when buying for shipment to the factory. They contract for future delivery exactly like other dealers. They may conceivably decline to accept in accordance with their contracts, in which case the grower should have the same remedies as against other dealers.

Growers have been known to complain bitterly of the severity of the canner's grading when the contract price for his crop proves to be above that of the open market. Canners may have had equal reason to protest the quality of goods tendered when supplies were short.

Certificates issued by the Food Products Inspection Service of the Bureau of Agricultural Economics will be considered prima facie evidence as to the quality of the goods in any controversy which may come before the Secretary under this Act. Therefore, it is to be expected that both canners and those from whom they buy will use this service much more freely than in the past. The cost is made as light as possible and the

service is expected to be put within easy reach of many more canners in connection with the administration of this Act.

Canners dissatisfied with deliveries on contract may ask for Federal inspection of sample offerings of fresh fruits and vegetables. If these are found to be below contract requirements, the official certificate is accepted in United States courts as prima facie evidence. United States courts have original jurisdiction in all cases arising under acts to regulate commerce regardless of the amount involved. These courts by authority of this Act will accept the findings or orders of the Secretary of Agriculture as prima facie evidence.

To realize the full benefit of the Act, canners should specify recognized grades or qualities, or otherwise specifically describe the goods which will constitute acceptable delivery under the contract. Tolerances for defects should be definitely stated if the contract contemplates delivery on any basis other than United States grades. Contracts calling for uniformly high quality approaching perfection, without provision for just and necessary tolerances, cannot be enforced.

In the administration of this Act the Department will keep in mind its primary and stated purposes. Until unfair or fraudulent practices or failure to keep proper records are alleged, the Department has no right to interfere with the business of any licensee. No authority is given the Secretary to demand periodic or statistical reports of any kind. The only communications from the Department to which a licensee is bound to reply are those concerning his license or the matters covered by his application, and those which deal with violations or investigations of alleged violations under the Act. The Department does not expect to prescribe any definite systems of accounting. The Act provides that licensees shall keep such records as will fully disclose their transactions. No doubt most canners are doing this. In case of complaint the Department is authorized only to examine those records that are material to the complaint.

A few canners may be exempt provided:

- (1) That they buy wholly within the State, for cash, by the wagon load or truck loads.
- (2) That they do not contract for any goods in advance, or agree to take certain crops or quantities.

There are probably not many canners whose business comes wholly within these limitations, and it is easily seen that in such business there is hardly a possibility of violating the Act and it is believed that the Act does not apply as neither contracts nor failure to pay could be involved.

We shall be glad to assist you in answering questions that may be raised by canners regarding various provisions of the Act. We believe the Act is a constructive piece of legislation and will operate to improve the marketing of fresh fruits and vegetables. It does not apply, of course, in the sale of canned products.

CORN PACK TEN PER CENT BELOW LAST YEAR'S

The pack of canned corn in 1930, according to the Food-stuffs Division of the Bureau of Foreign and Domestic Commerce, totaled 15,692,172 cases, on a basis of 24 No. 2½'s, a decrease of 1,794,572 cases, or slightly more than 10 per cent less than the 1929 pack. A statement of the pack, by states, was

sent to members of the Association on December 1, and along with this week's Information Letter is a statistical leaflet giving the statistics on the pack from 1908 to 1930, inclusive.

WHOLESALE AND RETAIL TRADE IN OCTOBER

Reports to the Federal reserve system by wholesale firms selling groceries, dry goods, hardware, and drugs, indicate that in all these lines sales in the month of October were considerably smaller than a year ago. Reports for the first ten months of the year also show decreases as compared with last year in the four lines of wholesale trade. The sales of wholesale grocers, by districts, show the following changes:

	October, 1930 compared with October, 1929 Per cent	January 1-October 31, 1930 compared with January 1-October 31, 1929 Per cent
Boston	-13	- 8
New York	-10	- 5
Philadelphia	- 9	- 4
Cleveland	-17	- 6
Richmond	-14	- 6
Atlanta	-19	-13
Chicago	- 6	- 3
St. Louis	-13	- 8
Minneapolis	-15	- 4
Kansas City	+ 6	- 4
Dallas	-13	- 7
San Francisco	- 9	0

Department store sales increased from September to October by 9 per cent, when allowance is made for the number of trading days. This increase is greater than the estimated seasonal increase for that period, and the Federal Reserve Board's index of department store sales, which is adjusted for seasonal variation, advanced by 3 per cent during the month, an advance approximately equal to the decline during the preceding month. As compared with last year, the aggregate value of sales in October was 8 per cent smaller.

BUSINESS CONDITIONS

Business for the week ended November 29, 1930, as measured by the volume of checks presented for payment declined from the preceding period and was lower than a year ago.

Wholesale prices, as measured by the index of 120 commodities, declined but slightly from a week ago, due mainly to lower prices paid for agricultural products.

Bank loans and discounts of Federal reserve member banks were fractionally lower than the preceding period and were also lower than a year ago. Interest rates for both call and time money were the same as the preceding week, but as compared with last year were considerably lower. Business failures re-

ported during the week ended November 29 were less numerous than the preceding week.

For the week ended November 22, 1930, increases occurred over the preceding period in the value of building contracts awarded in 37 States and in the production of lumber, while declines occurred in the production of petroleum and bituminous coal, freight car loadings, and in the receipts of wheat, cattle and hogs at important markets.

	CAR LOADINGS		Merchandise	
	Total	Miscellaneous	L. C. L.	Other
Week ended November 22 . . .	779,757	292,291	229,537	257,929
Preceding week	829,251	308,452	231,261	289,538
Corresponding week, 1929 . . .	949,716	351,810	257,825	340,081
Corresponding week, 1928 . . .	1,029,237	387,241	260,430	381,566

TRUCK CROP MARKETS

The cold, stormy weather of late November affected fruit and vegetable markets quite noticeably, according to the U. S. Market News Service. Price advances were the rule, as total shipments of 25 leading products during the week ended November 29 decreased further to 13,710 cars, or only about 700 more than during the same week last season. Oranges, grapefruit and carrots were the only lines to show heavier shipments than the preceding week. Of the total forwardings, potatoes amounted to 3,030 cars, apples about 2,500, and oranges slightly over 2,200 cars.

The recent low temperatures reached into far-southern producing sections, causing considerable damage to tender vegetables. The crop of green peas in Imperial Valley, California, was seriously injured. Shipments from that district dropped to 115 cars, or only half as many as the preceding week, but still twice the movement of a year ago. Cauliflower shipments from California increased to 250 cars, while Oregon decreased to 55. During the same week last season, only 135 cars of cauliflower moved.

California carrot forwardings jumped to 200 cars, but New York sent only 45. Spinach shipments were temporarily down to 165 cars for the week, as Texas decreased to 145 and Virginia originated only a dozen cars. Weather affected the movement of Florida string beans, and output dropped to 175 cars. Florida tomato shipments were still light, only 55 cars for the seven-day period, in addition to 25 from California, 40 from Texas, and imports of 28 carloads.

Of the 2,230 cars of oranges forwarded last week, California was credited with 1,535 but Florida decreased to 675 cars. However, Florida grapefruit shipments increased to 475 and Texas' to 140 cars, with a few from other States. Tangerine movement from Florida was down to 125 cars. California grape shipments totaled only 380 cars, mostly Emperors, and pears from four States amounted to 140 carloads.

CARLOT SHIPMENTS

Commodity	Nov. 23-29, 1930	Nov. 16-22, 1930	Nov. 24-30, 1929	Total this season to Nov. 29	Total last season to Nov. 30	Total last season
Apples, total	2,512	3,589	1,821	72,778	72,630	102,799
Eastern states	1,073	1,455	648	29,982	38,960	51,437
Western states	1,439	2,134	1,173	42,791	33,670	51,362
Cauliflower	303	300	137	3,299	2,760	9,535
Cabbage	325	554	628	31,040	37,633	44,244
Carrots:						
1931 season	198	110	222	1,083	1,043	10,704
1930 season	53	96	46	10,704	10,748	12,149
Cucumbers	37	60	44	7,565	7,414	7,469
Green peas	114	226	54	747	201	6,778
Mixed vegetables	358	488	373	28,498	30,268	32,430
Pears	141	168	87	20,910	19,762	21,147
Peppers:						
1931 season	60	93	10	223	28	2,760
1930 season	9	14	28	2,760	3,276	3,286
Spinach:						
1931 season	160	283	270	492	570	9,623
1930 season	3	11	9	9,623	10,203	10,348
String beans	177	332	165	1,232	307	9,482
Tomatoes:						
1931 season	54	39	3	124	4	33,186
Imports	28	18	25	54	30	1,123
1930 season	66	77	76	33,186	32,073	32,202

FARM PRICES

The index of the general level of farm prices declined from 106 per cent of the pre-war level on October 15 to 103 per cent on November 15. On November 15 the index was 33 points lower than on November 15 last year, and was at the lowest level since December, 1915, according to the U. S. Bureau of Agricultural Economics.

CANNED MILK PRODUCTION AND STOCKS

A same-firm comparison shows that the production of evaporated milk during October exceeded that during the same month a year ago by over 16 per cent, according to reports released by the U. S. Bureau of Agricultural Economics. A similar comparison also shows that October production was nearly 7 per cent heavier than September production, a rather unusual occurrence, as the normal production trend does not swing upward before December. While the production of other dairy products during October did not show the full normal seasonal decrease, evaporated milk, as previously stated, actually showed an increase. It appears quite probable that the bulk of the increase was the result of the diversion of milk from other products to evaporated milk, rather than a materially increased milk flow. For the period January to October, 1930, inclusive, the production of evaporated milk fell 6.3 per cent short of that for the same period in 1929.

Heavier production during October is reflected in an increase in stocks despite the comparatively active trading during the month. Compared with the same date a year ago, stocks on November 1 this year were 8.5 per cent lighter than last year, but on October 1 the deficit amounted to over 13 per cent. An unusual occurrence was the increase in stocks during October, amounting to over 8,000,000 pounds, or 4.6 per cent, as holdings are usually further depleted during this month.

Production of condensed milk during October showed an increase of 33 per cent over September, but still fell around 10 per cent short of October, 1929. September production, on the other hand, was 22 per cent lighter than a year ago. Stocks of condensed milk on November 1 showed a shortage of 17 per cent in comparison with even date a year ago and slightly over 8 per cent in comparison with a month earlier.

MEMBERSHIP LIST DISTRIBUTED

Copies of the Membership List of the National Canners Association, revised to November 17, 1930, are being mailed this week to all members of the Association. Should any member fail to receive a copy he should communicate with the Association at once.

DECISION IN TIN CAN RATE CASE

In the case involving rates on tin cans in carloads from points in the Chicago District taking Chicago, Ill., rates, to Olivia and Montevideo, Minn., and Big Stone City, S. Dak.-Minn., the Interstate Commerce Commission has found that the rates have not been unreasonable in the past but will be unreasonable for the future and has prescribed the rates hereafter to be used. The rates for the future, according to the Commission, will be unreasonable to the extent that they exceed or may exceed 40 per cent of the corresponding first class rates prescribed in the Western Trunk Line class rate case. The finding, the Commission states, is without prejudice to any different conclusions that may be reached in Docket No. 22426, which is the general investigation of rates on tin cans now being made by the Commission.

BRITISH COLUMBIA SALMON PACK

According to advance figures furnished by the Vancouver office of the Canadian Department of Fisheries, and forwarded to the Department of Commerce by the American vice consul at Vancouver, the salmon pack of 1930, for the period ended November 8, amounted to 2,154,337 cases valued at \$6,772,407, as compared with 1,372,887 cases valued at \$5,694,294 for a similar period of 1929.

In Vancouver salmon packing circles careful attention is being given to these statistics and to reported estimates of a 1930 world salmon pack of 8,900,000 cases: 2,100,000 cases in Canada, 5,200,000 cases in the United States, 1,600,000 cases in Japan and Russia.

In view of these figures and of reports that considerable quantities of Russian and Japanese salmon are being sold in the British Isles and other European markets, British Columbia packers have undertaken an extensive advertising campaign, with a view to increasing domestic consumption of their products. Since the new pack opened on July 1, 1930, these packers have sold in Canada half as much salmon as was sold in this country during the entire calendar year 1929, and they anticipate that total domestic sales for the current calendar year will show a net increase well in excess of 50 per cent, as compared with corresponding sales for 1929.

Notwithstanding competition from Russia and Japan, imports of canned salmon from Canada into the British Isles during the first ten months of this year show an increase as compared with corresponding imports last year. A similar comparison of imports of canned salmon from Soviet Russia during the same period of 1929 and 1930 shows a heavy decrease for the current year.

ORAL ARGUMENT IN SOUTHERN TERRITORY CASE

The case involving the rate on canned foods in carloads from, to and between points in Southern Territory has been assigned for oral argument at the Interstate Commerce Commission in Washington, January 19, 1931.

BRITISH IMPORTS OF CANNED PINEAPPLE

Imports of canned pineapple into the United Kingdom for the quarter ended September 30 amounted to 26,362,560 pounds, valued at \$1,667,102, according to the American trade commissioner at London. Imports from the United States were 1,389,024 pounds, valued at \$150,316 and from Hawaii 890,288 pounds, valued at \$102,532. The bulk of the imports—23,644,096 pounds valued at \$1,370,650—came from the Straits Settlements.

CANNED FOOD PACKED IN ITALY

The canning season is over in Italy with a pack of good quality but rather light, particularly tomatoes, according to a radiogram from the American commercial attache at Rome, who reports also that a reduced American demand is expected.

WORLD DRY BEAN SITUATION

Total production of common beans in the more important commercial countries is now believed to be little greater and may be somewhat smaller than last year, according to the U. S. Bureau of Agricultural Economics. Production in six countries

for which actual figures are available amounts to 36,530,000 bushels, a slight increase over the 36,331,000 bushel crop reported in the same countries in 1929 and above the five-year average of 32,059,000 bushels produced in the period 1925-1929. The increase is in the crops of the United States and Japan. The European surplus producing countries so far reported have a total bean crop below last year and below average, and condition reports and other indications of the size of the crop in other important countries do not point to any material increase over last year's about average crop.

Total production reported for seven states in the United States growing mostly white beans amounts to 9,574,000 bushels, as compared with 10,193,000 bushels in 1929. These figures omit the large and small whites of California but changes in production of those varieties would not materially change the ratio shown in the total for seven states. Domestic white beans meet foreign competition principally from Europe, Japan and Chile.

STOCKS AND CARRYOVER.—Reports on stocks in the United States are available only for California. In that state stocks of all varieties of beans were larger on September 1, 1930, than on that date in 1929, except for blackeyes, pinks and cranberries, but the 1929 carryover was unusually small. The California carryover is below the average of the preceding four years for all varieties except small whites, which are above average. Scattered reports for other states do not indicate any abnormal carryover although old crop supplies were undoubtedly larger than the negligible quantities carried over in the preceding year.

In Europe also the carryover is probably larger than the minimum quantity on hand at the beginning of the 1929-30 season, but reports available have not suggested a burdensome supply. The appearance of the new crop nearly a month earlier than usual would tend to draw attention from the old crop but might also create an impression of unduly large stocks. Rumania appears to have consumed more than an average quantity of beans in the past year. Production less exports for 1929-30 leave a larger amount than average available for domestic consumption or carryover, but reports from that country do not mention any unusual quantity on hand.

PRICES AND MARKET SITUATION.—United States bean prices have been falling generally since the beginning of the current season, after a brief rise in August and the first of September when the size of the new crop was still in doubt. By October, the farm prices of pintos and great northern were the lowest

reported for any month in the past seven years. The New York wholesale price of pea beans through the third week of September was still above the general level of prices prevailing before the short crops in 1927, 1928 and 1929. Red kidneys were below the level of prices for the 1924, 1928 and 1929 crops, but above those of 1923 and 1926. The New York price of limas has been maintained during the past few months at a level below the high prices of the end of the 1929 and the beginning of the 1929 seasons, but well above the average for recent years.

Prices in foreign markets fell during September and Moldavian beans at Marseilles continued to fall during the first of October. Trade in Europe was generally inactive in September. Dealers seemed to be well stocked up and there was little interest in either current offerings or future requirements. There was a tendency among European dealers to attribute the decline of prices to a lack of demand in the United States.

UNITED STATES FOREIGN TRADE AND RUMANIAN EXPORTS.—United States dry bean imports in September and October, 1930, totaled 174,000 bushels, compared with 367,000 bushels in the same two months of 1929 and an average of 187,000 in that period of the past five years. Chile has been an important source of October imports, sending about 35,000 bushels. Europe has sent most of the remainder. September-October exports were light. Rumanian bean exports have not been definitely reported in the current season. A preliminary estimate for September amounting to 257,000 bushels is somewhat below the heavy September exports of 395,000 bushels in 1929 but about on a par with the five-year average for September amounting to 261,000 bushels. The heaviest export season in Rumania usually comes in the three months October to December, although September is also a heavy month.

UNITED STATES REQUIREMENTS.—The United States 1930 bean crop of 20,975,000 bushels is not quite equal to domestic production plus net imports in 1929-30, amounting to 21,584,000 bushels. Allowing something for carryover this year, as against a negligible amount carried over into the 1929-30 season, the domestic supply as a whole is probably fully equal to last year's consumption. Taking into account the annual increase in domestic requirements which has been observed in past years, the domestic crop is considerably smaller in proportion to indicated requirements than in 1925, however. Inequalities in the distribution of the present supply among the various varieties may of course result in oversupplies of some varieties and deficiencies in others since they are not all used interchangeably.

INTERNAL REVENUE INFORMATION RETURN FORM AVAILABLE

Forms for filing information returns now are available at offices of collectors of internal revenue and deputy collectors. The returns are made on Form 1096 and must be accompanied by a letter of transmission on Form 1099.

Under the "information at source" provision of the revenue act all persons, corporations, partnerships, associations, executors, administrators, etc. are required to report to the Commissioner of Internal Revenue, Sorting Section, Washington, D. C., payments to others of fixed or determinable income during the calendar year 1930 of \$1,500 or more if the recipient of such payments is single. If the recipient is married and living with wife or husband, report must be made if the payments aggregate \$3,500 or more. In case the marital status of the payee is unknown, the payor is required to report payments of \$1,500 or more. "Fixed or determinable income" includes salaries, wages, rents, royalties, etc. However, the requirement is not limited to periodical payments, but a single payment must be reported. A separate return of information for each employee is required of employers.

Corporations are required to make also a separate report of dividends or distributions for each individual, fiduciary or partnership shareholder who was paid \$500 or more during the calendar year 1930.

Information returns must be filed on or before February 15, 1931.

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